APPENDIX C

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

JOHN MARDULA, Plaintiff, vs. RANCHO DOMINGUEZ BANK, DANIEL ROBERTS, and DOES 1-25, inclusive, Defendants.	)	Case No. BC104006 COMPLAINT FOR 1. Breach of Employment Contract 2. Bad Faith Denial of the Existence of a Contract

FILED MAY 3, 1994
Edward M. Kritzman, Clerk
By P. Offord, Deputy

COMES NOW, Plaintiff JOHN MARDULA, and complains against Defendants as follows:

1. At all times herein mentioned, Plaintiff JOHN MARDULA was a resident of the County of Los Angeles, State of California and had the capacity to enter into contracts.

2. At all times herein mentioned, Defendant RANCHO DOMINGUEZ BANK was a national bank authorized and existing under the laws of the State of California and the Federal Government.

3. At all times herein mentioned, Defendant DANIEL ROBERTS was a resident of the County of Los Angeles, State of California and had the capacity to enter into contracts.

4. Plaintiff is informed and believes and thereon alleges that at all times herein mentioned each of the Defendants was the agent, servant employee and joint venturer of each of the remaining Defendants, and was at all times acting within the course and scope of such agency, employment and joint venture.

5. The true names and capacities of Defendant DOES 1 through 25 are unknown to Plaintiff. Plaintiff will amend this Complaint to insert said true names and capacities when ascertained. Plaintiff is informed and believes, and upon such information and belief alleges, that each of said fictitiously named Defendants is liable to Plaintiff for the acts, events and occurrences alleged herein as a result of said Defendant's relationship to the other Defendants or participation in said acts, events and occurrences.

FIRST CAUSE OF ACTION
BREACH OF CONTRACT
AGAINST RANCHO DOMINGUEZ BANK, N.A.

6. Plaintiff incorporates and realleges the allegations contained in Paragraphs 1 through 5 of the preliminary allegations of this Complaint as though fully set forth herein.

7. On September 9, 1992, Plaintiff and Defendant entered into a written employment agreement wherein Plaintiff MARDULA was employed for the position of the President/Chief Executive Officer of the RANCHO DOMINGUEZ BANK (hereinafter sometimes referred to as the "BANK"). The contract provided that Plaintiff be paid the sum of One Hundred Thousand Dollars ($100,000.00) per

year for a term of three years. A copy of the employment contract is attached hereto marked as Exhibit 1, and incorporated herein by reference.

8. Paragraph IX A.(4) provides as follows:

> *Sale, Merger or Dissolution of Business:* In the event of a sale, merger, dissolution of business, or other substantial change in ownership or operation of the Employer's business, the Employer may, at the Employer's option, either terminate this Agreement or assign the Employer's interest in this Agreement to the successor entity. Should this Agreement be terminated, Employee shall be entitled to receive, immediately thereafter, one-quarter of the Employee's annual Basic Compensation for the first year of the Agreement and thereafter six months Basic Compensation at the rate prevailing at termination. Should the Agreement be assigned, the employer shall be released from all obligations pursuant to this Agreement.

9. In 1994, the BANK sold and merged. New board management took over requesting Plaintiff to stay on under the same terms and conditions.

10. On April 5, 1994, the Board of Directors passed the following resolution:

> *Following discussion upon motion made by Daniel Roberts and seconded by R. Scott Bonds, and unanimously carried, the Board of Directors approved that a request be made to John J. Mardula to resign as President and CEO of Rancho Dominguez Bank effective 4/5/94 with one month severance pay upon execution of a release of his employment contract/or terminate Mr. John J. Mardula effective immediately if no resignation is forthcoming.*

11. The Defendants, and each of them, have breached the employment contract in that the employment contract calls for a six month severance package.

12. As a direct and proximate result of the breach, Plaintiff has been damaged in an amount of $50,000.00.

SECOND CAUSE OF ACTION
BAD FAITH DENIAL OF THE EXISTENCE OF A CONTRACT
AGAINST ALL DEFENDANTS

13. Plaintiff incorporates and realleges the allegations contained in Paragraphs 1 through 5 of the preliminary allegations and Paragraphs 6 through 12 of the First Cause of Action of this Complaint as though fully set forth herein.

14. On or about April 5, 1994, Defendants, and each of them, breached in bad faith and denied the existence of a lawful contract entered into by and between Plaintiff and the Defendant BANK.

15. As a direct and proximate result of Defendants' bad faith denial of the existence of a contract, Plaintiff has been damaged in a sum that is unknown to him at the present time, but which Plaintiff is informed and believes and thereupon alleges exceeds the sum of $25,000.00. Said damages include lost benefits of his contract and general damages for physical injury and/or emotional distress damages. When Plaintiff learns the true and exact nature of the damage, Plaintiff will amend this Complaint.

16. The conduct of Defendants in wrongfully denying the existence of a contract was despicable and done with fraud, oppression and malice, entitling Plaintiff to punitive damages in a sum in excess of $25,000.00.

WHEREFORE, Plaintiff prays judgment for:

1. Special Damages according to proof;

2. General Damages according to proof;

3. Punitive Damages according to proof;

4. Cost of suit; and

4. For such other relief as the Court deems just and proper.

Dated: May 2, 1994

REHWALD RAMESON
LEWIS & GLASNER

By: WILLIAM REHWALD
WILLIAM REHWALD
Attorneys for Plaintiff

Plaintiff hereby requests a trial by jury of the within action.

Dated: May 2, 1994

REHWALD RAMESON
LEWIS & GLASNER

By: WILLIAM REHWALD
WILLIAM REHWALD
Attorneys for Plaintiff